



**EU**  
**PRO** EUROPEAN UNION SUPPORT  
TO MUNICIPAL DEVELOPMENT

# QUARTERLY REPORT

1 January - 31 March 2021



Republic of Serbia



**UNOPS**

Implementing partner



- Overall objective:** To contribute to a more balanced socio-economic development in Serbia
- Purpose:** To enhance competitiveness and social cohesion of the less developed areas by better market positioning and more competitive SMEs and developing/improving business enabling and social infrastructure
- Budget:** 25 million Euros
- Donor:** The European Union
- Start date:** 1 January 2018
- End date:** 30 June 2021
- Programme area:** The Regions of Šumadija and Western Serbia and the Southern and Eastern Serbia
- Implementing partner:** United Nations Office for Project Services (UNOPS)
- Report date:** 20 April 2021
- Period covered:** 1 January 2021 – 31 March 2021
- Prepared by:** UNOPS

## Acronyms

<b>AoR</b>	Area of Responsibility
<b>BSO</b>	Business Support Organisation
<b>CB</b>	Coordination Body for Preševo, Bujanovac, and Medveđa
<b>CFP</b>	Call for Proposals
<b>CIF</b>	Citizens' Involvement Fund
<b>CSO</b>	Civil Society Organisation
<b>DEU</b>	Delegation of the European Union
<b>DAS</b>	Development Agency of Serbia
<b>DoA</b>	Description of Action
<b>EU</b>	European Union
<b>FIDIC</b>	The International Federation of Consulting Engineers
<b>GEM</b>	Gender Equality Mechanism
<b>GG</b>	Good Governance
<b>HR</b>	Human Rights
<b>LSG</b>	Local Self-Government
<b>MCTI</b>	Ministry of Construction, Transport, and Infrastructure
<b>ME</b>	Ministry of Economy
<b>MEI</b>	Ministry of European Integration
<b>MSE</b>	Micro and Small Size Enterprises
<b>MSP</b>	Managing Successful Programmes
<b>NGO</b>	Non-governmental Organisation
<b>NMC</b>	National Minority Council
<b>OHCHR</b>	Office of the High Commissioner of Human Rights
<b>OSCE</b>	Organisation for Security and Cooperation in Europe
<b>PPF5</b>	Project Preparation Facility 5
<b>PRINCE 2</b>	PRojects IN Controlled Environments
<b>PSC</b>	Programme Steering Committee
<b>RDA</b>	Regional Development Agency
<b>RFP</b>	Request for Proposals
<b>RSPC</b>	Serbia Programme Centre
<b>SCTM</b>	Standing Conference of Towns and Municipalities
<b>SDC</b>	Swiss Agency for Development and Cooperation
<b>SME</b>	Small and Medium Sized Enterprise
<b>PIMO</b>	Public Investment Management Office
<b>SIPRU</b>	Social Inclusion and Poverty Reduction Unit
<b>ToR</b>	Terms of Reference

## Executive Summary

The European Union Support to Municipal Development – EU PRO Programme has been steadily progressing towards its completion. With 92 projects completed during the quarter, the Programme has finalised activities on a total of 313 (or 91.5 percent) out of the 342 awarded projects.

Equally important, **the Programme has met a vast majority of set objectives** and is well on the way to achieving, or surpassing, all of the objectives. Thus far, the Programme contributed to creation of 1,367 new jobs. As a result of assistance to SMEs, 556 new jobs (out of which 241 or 43% are women) have been created in 199 beneficiary enterprises. Additionally, the Programme indirectly contributed to the creation of at least 781 jobs as a result of the economic infrastructure and 30 more as an outcome of the support to development of technical documentation. Furthermore, revenues of the beneficiary SMEs are continuously increasing regardless of the challenges, as well as the value of realised export. Finally, the set indicators have thus far been met for five out of nine activities.

Programme contribution to **enhanced competitiveness of enterprises persisted**. In addition to creation of 133 new jobs during the quarter, available financial statements of the beneficiary SMEs indicate an increase in revenues by an average of 22.5 percent in 2020 compared to the previous year. This support is complemented and enhanced by its impact on local communities, with an additional 14,000 people benefiting from the Corporate Social Responsibility (CSR) activities implemented by 58 SMEs since the beginning of the year. Cumulatively, CSR activities implemented by 195 beneficiary SMEs have reached a total of 34,000 beneficiaries.

The Programme also contributed to **tangible improvements of the business environment**, the most notable relating to contribution of supported projects for introduction and development of the Geographical Information Systems (GIS). Namely, going well beyond the set objectives, through 19 projects implemented in 34 municipalities, a total of 134 thematic applications have been developed and made available. Developed applications contribute to improvement of the public infrastructure, attractiveness of the business environment, protection of natural and cultural heritage, enabling conditions for tourism development and environmental protection.

Direct **contribution to the quality of life for over 4,880 citizens** during the quarter has been made with completion of the two local infrastructure projects. The reconstruction of the water supply network in Kučevo ensured sustainable water supply and enhanced health security for 4,823 beneficiaries directly connected to the network. This intervention is also expected to decrease losses by 20 percent along with reduced operational costs for maintenance of the network, thus generating savings for the municipality. Likewise, the reconstructed cultural centre in Babušnica enabled better working conditions for 58 employees and reduced maintenance costs, along with provision of higher quality services for the citizens of Babušnica. Thus far, over 162,000 citizens have directly benefited from the 36 implemented social infrastructure projects, including 13,000 from the vulnerable groups.

Further results of the Programme support to social cohesion projects have been registered. Three projects in Bor, Požarevac and Lebane **improved opportunities for 135 marginalised young people** both in higher education and the labour market through learning support programmes and by improving competences of 72 professionals from relevant institutions and the civil sector in working

with children and youth from disadvantaged groups. With this, the social cohesion activities have reached over 4,600 excluded citizens.

**Capacities of the health system to respond to the pandemic have been empowered** with procurement of 19 ambulance vehicles which have been immediately placed in use by the beneficiary health centres in Belgrade and 17 Programme municipalities.

Preparing for the closure, the Programme conducted a **research of the civil sector capacities by assessing twenty beneficiary Civil Society Organisations (CSOs)** in three areas - project management, contribution to development strategies and improvement of social welfare services. The key findings include reliance of the civil society sector on public funding and a persistent need to enhance their fundraising capacities. Furthermore the findings show a need for support in recognizing the role of the CSOs in development planning processes led by the public institutions. The survey also confirmed the relevance of interventions implemented by the Programme and clear indication that the CSOs should be further supported to implement projects in response to the urgent needs of the most vulnerable citizens as the expertise and experience exists and their capacities can be quickly deployed.

The **communication activities accompanied implementation of the Programme** focusing on the promotion of its results through twenty success stories and one press release published, generating 153 media reports and reaching over 140,344 people through the EU PRO Facebook page alone. In addition, the ceremonial handover of ambulances procured from Programme funds repurposed for COVID-19 response was attended by the highest national and international officials including President of the Republic of Serbia Aleksandar Vučić, the EU Ambassador to Serbia Sem Fabrizi, Minister of European Integration, Jadranka Joksimović and Minister of Health, Zlatibor Lončar and the Head of UNOPS, Michela Telatin, as well as 17 ambassadors and representatives of the EU member states. The event generated substantial positive media coverage of over 150 positive media reports, with more than a half published in the national media.

The overall **Programme exposure to risks has been reduced** as the implementation has entered the final phase. There are still, however, uncertainties that could affect full materialisation of the planned outcomes for few of the remaining 29 projects under implementation, such are delays in delivery of equipment from China which, adding up to delays in production and transport caused by the pandemic, influenced further delays on several supported projects, and contributed to the cancellation of some of the planned activities. Furthermore, in the long term perspective the prolonged duration of the pandemic poses concerns for sustainability of the achieved results, though no negative impacts have been registered thus far.

This Report provides review of progress and performance, update on management and coordination issues, review of assumptions and risks, quality and sustainability considerations, insight into the key outputs for the next reporting period, and lessons learned. A number of annexes give the readers opportunity to get in depth knowledge of some specific actions taken by the Programme.

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## Review of progress and performance

### Policy and programme context

The [Law on Social Cards](#) developed by the Ministry of Labour, Employment, Veteran and Social Policy has been adopted in February 2021. The Law envisages a fairer distribution of funds allocated for social benefits and foresees a database which shall unite various rights previously in different databases, including the rights in the field of children and veterans, protection of persons with disabilities and databases from the Central Population Register, the Ministry of Interior, Pension and Disability Insurance Fund, National Employment Service, Tax Administration and the Geodetic Institute. This Social Map Register will serve as a central repository for information on the socio-economic status of individuals which will enable easier access to rights and services in the field of social protection. Initially, the Register will include citizens who already use some rights from social protection, those whose requests are in the procedure, as well as citizens who have ever submitted a request, but have been rejected. The Law will enter into force as of 1 March 2022.

The annual assessment of political rights and civil liberties performed by the watchdog organisation, the Freedom House was published in March 2021. The [Freedom in the World 2021](#) Report provides information on the 195 assessed countries. Serbia Country Report records further decline of the country on the Global Freedom Score, where Serbia scored 64 index points in 2020, two down from the previous year, and the country was categorised as partly free. The following key developments in 2020 contributed to the Serbia's rating decline: irregularities during the parliamentary election campaign and on election day; excessive force used by the police during the demonstrations against the announcement of a COVID-19 lockdown and other government policies in July; non-transparent respond to the COVID-19 pandemic by the officials and retaliation against medical professionals who criticized the government's handling of the pandemic.

The [Economic Reform Programme \(ERP\)](#) for the period 2021-2023 has been adopted in January 2021 as the most important strategic document pertaining to the dialogue with the EU concerning the economy. The Programme covers the priority structural reforms, including energy and transport markets, agriculture, industry and services, business environment and the fight against the gray economy, research, development and innovation and digital transformation, reforms in the field of economic integration, education and skills, employment and the labour market, as well as health and social protection. The ERP provides the objectives for the structural reforms of the economy and for setting the mid-term macroeconomic and fiscal policies, as well as for coordination of economic policies with the EU.

The Ministry of Economy has published [eight public calls](#) to support economic growth in 2021. Funds of 1.55 billion RSD (13.2 million EUR) will be invested for support for procurement of equipment for SMEs. An additional 150 million RSD (1,3 million EUR) is allocated for support to Startup SMEs (registered within the last two years), and 100 million RSD (850K EUR) is allocated for the public call for support to SMEs owned by women and youth registered in the last five years. The Ministry also published a Public Call for the RDAs to provide support to women and youth entrepreneurs who wish to apply for the grants and loans. Eligible activities under these public calls include purchase of new and used (up to five years old) equipment and vehicles, construction works related to production space and introduction of services as digitalization or similar. Grant support is limited to 25% for the public call for equipment up to 45% in the public call for Women and Youth Entrepreneurship and conditioned with approval of the loan from the selected banks or National Development Fund. Two hundred millions RSD (1.7 million EUR) has been allocated for the Public Call aimed at private companies (including medium and large companies) for their development projects. Fast growing companies and companies registered in the underdeveloped LSGs can apply for this support. The Ministry of Economy also published Public Call for selecting an implementing partner for promotion of

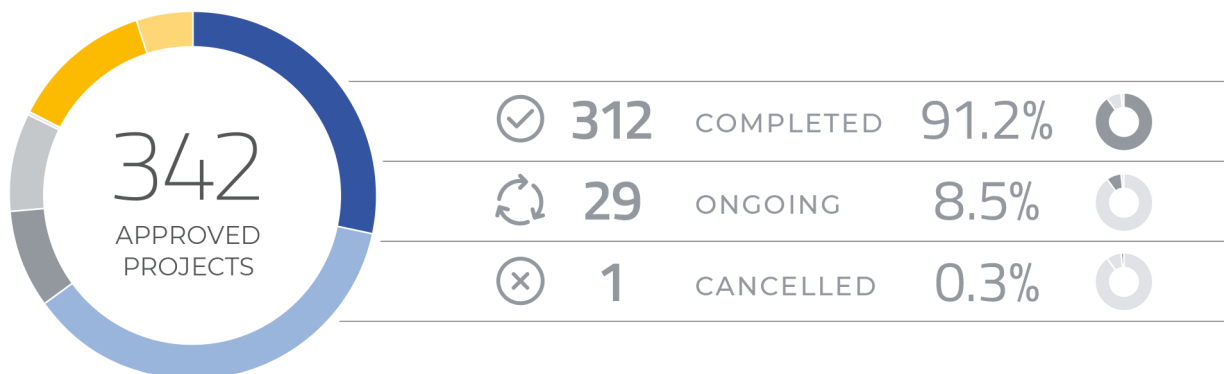
Programme is financed by the European Union, implemented by UNOPS in cooperation with the Government of the Republic of Serbia.

digital transformation, education and consulting about digital transformation and conducting support programmes for digital transformation of the industrial production sector. One billion RSD (8.5 million EUR) has been allocated for the public call for improvement of business infrastructure, mainly for infrastructure in the business zones and infrastructure related to development of tourism. This public call was published for 15 days from 21 January to 4 February 2021.

In partnership with the China Road and Bridge Corporation (CRBC), [the Government of Serbia has announced investment of 3.2 billion Euros](#) for design and construction of utility infrastructure and solid waste disposal. The planned investment will include design and execution of works on the construction of wastewater treatment plants, sewage network and pumping stations in 65 municipalities and cities, at a total of 73 locations, as well as rehabilitation or construction of regional landfills at six locations. The works will be conducted by Chinese companies with mandatory engagement of Serbian subcontractors in a percentage of not less than 49% of the total subcontractors engaged. This investment should contribute to increased treatment of wastewater (which is currently at 12% in Serbia) and increase connections to the sewage system connections (noting that 42% of facilities are still not connected to the sewage system). It should also contribute to eliminating river pollution and contribute to the overall health of the inhabitants of Serbia.

### Progress towards achieving objectives

During the quarter, the Programme made a **solid progress towards completing the outstanding activities**. Ninety-two projects are finalised bringing the total number of completed projects to 313, or 91.5 percent. The 29 remaining ongoing projects are expected to be completed by mid-May 2021. The greatest progress was made with activities targeting SMEs with activities concluding on 68 projects followed by 16 projects relating to the Geographical Information System.



Further results related to the inclusion of excluded youngsters and interethnic understanding resulting from the social cohesion activities are recorded. The inter-municipal project realised in Prijepolje, Priboj, Sjenica, Novi Pazar and Tutin contributed to the inter-ethnic cooperation and understanding of the Bosniak and Serbian communities through a participatory process which gathered almost 100 participants from public and civil sectors. As a result of the joint work of two communities, five elements of the intangible cultural heritage (ICH) specific for the region are identified, recorded and officially nominated for their inscription in the National Register of ICH of the Republic of Serbia according to the UNESCO methodology. Their adoption by the National Committee for the ICH is expected in 2021. At the moment, the National Inventory of the ICH contains 53 elements inscribed on the List of the ICH.

Infrastructure registered significant progress during this quarter through 22 finalised grant projects, predominantly from GIS related activities. Over 188,500 people directly benefited from the results of



infrastructure activities while indirectly, the Programme contributed to better living conditions to 5,7 million inhabitants out of which 2,9 million are women and more than 67,000 from vulnerable groups.

During January, the Programme finalised the set of three workshops on Integrated and Sustainable Territorial Development (ISTD), commenced during December 2020, as means for enhancing internal capacities to plan and deliver ISTD-related activities. The three two-hour workshops were structured to include international and local examples of ISTD projects. The workshops focussed on the immediate challenges we shall be facing with initiation of EUPRO Plus and were attended by MEI and DEU representatives.

The assessment of the local self governments (LSGs) development potential, initiated in late December 2020, was also concluded during February 2021 with a fairly high response rate and responses collected from 63 LSGs. The detailed assessment of the survey results is underway. However, preliminary assessment indicates existing pipeline of a total 710 projects prepared for implementation with obtained all relevant permits in total value of 400 million EUR, out of which 535 project prepared for social infrastructure, 40 for environmental protection and 79 for economical infrastructure which is indicator of solid preparedness of local self governments in terms of planning. In addition, Tutin prepared documentation for a capital development project based on the development strategy for Tutin, covering 150ha of industrial zone Ljeskova. Aim of the project is sustainable regional development and attraction of direct foreign investments. Project includes 1000 business and 2000 residential objects with included social facilities like public school, hospital and kindergarten. The assessed value for building and infrastructure was 600 million EUR, while for the capacities for primary production 400 million EUR.

## Result 1

### Improved technological structure of SMEs and their ability to increase their market share

During the quarter, 133 new jobs have been created in beneficiary SMEs, contributing to a total of 556 new jobs created by 199 beneficiary enterprises out of which 241 or 43 percent are occupied by women. Based on the financial statements already published by the 55 beneficiary companies, their revenue in 2020 has increased on average by 22.4 percent compared to the previous year. Though the overall results are positive, the impact of the COVID-19 pandemic has evidently affected SMEs from the food industry whose businesses are linked with the hospitality industry with registered decrease in revenues up to 55 percent. On the other hand, some joinery manufacturers and other SMEs from the food industry have doubled or tripled revenues in 2020.

An additional 14,000 people benefited from the Corporate Social Responsibility activities conducted by supported SMEs contributing to a total of over 34,000 beneficiaries of the CSR activities.

### Activities

#### 1.1 Grant scheme for SMEs

During the quarter, activities on 67 projects implemented by SMEs selected under the Second Call for SMEs have been finalised, bringing the total number of completed projects under this Call to 87. The remaining 22 projects implemented by SMEs needed to be extended due to various challenges, the key being delays in delivery of equipment from abroad (mainly due to blockage of the Suez Canal in March 2021), prolonged period for generation of new employment due to global economic challenges and finalisation of the Corporate Social Responsibility (CSR) activities which needed to be adapted to COVID-19 restrictions.

Equipment was delivered to 55 beneficiary SMEs during the reporting period and 58 SMEs have completed CSR activities. Total of 195 SMEs have finalized their CSR activities.

### 1.2 Support to Business Support Organisations (BSOs)

During the quarter activities on two projects implemented by BSOs have been concluded: the RDA SEDA organised a final event and presented the project results, including development of digital marketing packages for 22 SMEs and the BSO “Dunđer” supporting construction sector concluded activities on introduction of an innovative EU Open House methodology, a method for assessment of durability, quality and sustainability of buildings and ten experts from member companies have been trained for the profession Open House evaluator.

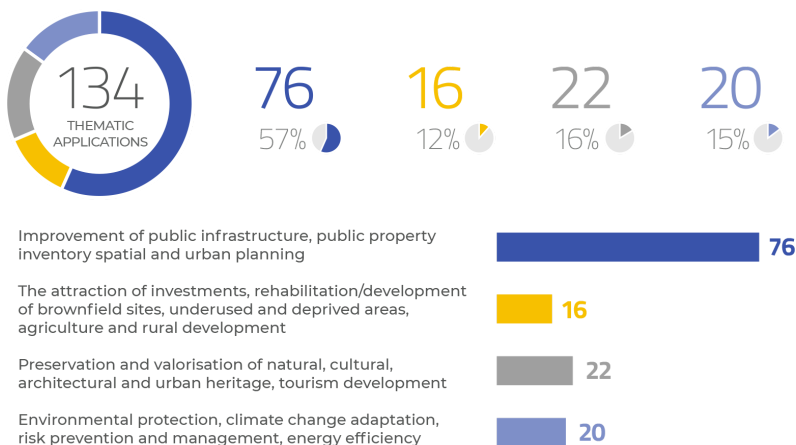
The last remaining active BSO project is the one implemented by the RDA Zlatibor. The RDA has signed the contract for certification and recertification of nine companies from the metal sector, members of West Metal Group Cluster and published procurement for the final project activity, the creation of virtual online tours of cluster companies with creation of 3D product models and redesign of the cluster web site. The initial procurement process for these services was not successful and therefore needed to be repeated.

## Result 2

Improved conditions for business operations through more efficient administrative service provision, better land management and specific small scale infrastructure investments

During Q1 2021, the Programme finalised 20 projects out of which 16 related to GIS, and reached the total number of 55 out of 60 completed projects aimed to contribute to the improvement of the business environment. The five remaining projects - One Detailed Regulation Plan (Surdulica), two GIS projects (Čačak and Vranje) and two Technical Documentation projects (Kraljevo and Niš) - are in the final phase with no identified risks for delays outside of the Programme timeframe.

The most significant outputs during the quarter were achieved through GIS projects. The aim of nineteen supported projects was to improve public infrastructure, to provide a more attractive business environment, to protect natural and cultural heritage and develop conditions for tourism and to protect the environment through an estimated 57 GIS thematic applications. The realised number of applications went well beyond the set milestone and a total of 134 thematic applications were developed and several more outside of the four themes proposed in the conditions of the call for proposals. Additionally, through 19 trainings, 402 people increased their capacities (out of which 170 or 42 percent were women) to operate the GIS applications.



## Activities

### 2.1.1 Enhancing land management through development of GIS and improved access to geospatial data

Sixteen projects related to introduction of Geographic Information Systems (GIS) have been finalised during the quarter, contributing to completion of a total of 17 out of the awarded 19. The remaining two projects implemented by Čačak and Vranje needed to be extended by the end of April 2021, due to delays in conduct of final procurement processes.

All 34 LSGs supported through these 19 projects now have operational GIS, with improved existing or established new institutional framework for GIS, procured open source GIS software and GIS-related hardware. As a part of GIS development, besides basic GIS cadastral data, all applicants and partner LSGs have developed various thematic applications within five thematic areas defined in CfP: Spatial and urban planning; improvement of public infrastructure, public property inventory; attraction of investments, rehabilitation/development of brownfield sites, underused and deprived areas, agriculture and rural development; preservation and valorisation of natural, cultural, architectural and urban heritage, tourism development; and environmental protection, climate change adaptation, risk prevention and management and energy efficiency. A total of 134 thematic applications were developed. Concerning enhancement of LSGs capacities for using GIS tools, through various basic and specialized GIS training, 402 participants in total gained or improved knowledge necessary for use of GIS tools, out of which 170 (42%) were women.

### 2.1.2 Development of urban plans related to economic development

Activities on two more projects for the development of Detailed Regulation Plans (DRPs) implemented by Majdanpek and Vlasotince have been completed during the quarter, adding up to a total of 18 out of the 19 awarded projects. Out of the 19, the project with Blace municipality was cancelled in 2020, and due to the failure of Raška municipality to facilitate provision of conditions from the Public Enterprise Railways of Serbia, the plan developer was unable to finalise thus the project only partially achieved the set objectives.

In this quarter, Majdanpek and Vlasotince initiated the plans adoption procedure and the municipality of Surdulica completed the public insight on 29 March 2021.

The only ongoing DRP is for Hotel Vlasina in Surdulica, for which EU PRO granted the time extension by the end of April. The Plan is pending planning committee approval.

### 2.1.3 Development of project technical documentation for projects contributing to economic development

During this quarter, Vranje and Čačak finalized activities on completion of technical documentation projects adding up to the total of ten out of the 12 awarded projects. Čačak issued the construction permit for the Technology Park on 18 February 2021, one day upon electronic submission of the necessary documentation, recording the most efficient issuance of a permit during the Programme life cycle. Both Čačak and Vranje took over the completed execution design from contracted designers.

Implementation of the remaining two technical documentation projects is progressing. More advanced design for the drainage system in the industrial zone Šeovac, in Kraljevo, completed the technical documentation for the construction permit. Technical experts completed the mandatory third party review. The designer will submit the design for the construction permit once they address all reviewers remarks. Kraljevo addressed the risk of delay with another time extension request, which the Programme granted until the end of April to enable the finalisation of administrative processes and full completion of the execution design.

City of Niš managed to obtain the conditions from Public Enterprise EPS Niš after submitting the request for the second time, as EPS Niš denied to issue the conditions due to the incorrect design package submitted

for the first time. While being at risks of delays, the designers have finalised the majority of the design for the construction permit.

## 2.2 Development/improvement of small-scale infrastructure with economic impact on local level

Activities under the awarded nine projects for development of economic infrastructure have been completed in 2020. The Programme is concluding administrative closure of the implemented projects.

### Result 3

Better social cohesion and attractive living environment through improvement of small scale public infrastructure and social relations

The programme improved working and living conditions with equal access to socially vulnerable groups, but also by using sustainable energy sources, reduced the carbon footprint and decreased the operational costs. 36 out of 37 (97%) completed local infrastructure projects will provide benefits for more than 162,000 users of reconstructed facilities, among them, over 13,000 people from vulnerable groups.

Over 4,880 citizens are directly benefiting from the completed projects in Kučevo and Babušnica during this quarter. With the Programme support, water supply network and replacement of the old asbestos water pipeline will ensure the health and sustainable water supply to 4,823 beneficiaries directly connected to the water supply system and ensure quality service to 22,290 citizens of Kučevo. Long-lasting outcomes will be visible during the forthcoming years, as 20% of the water losses in the old system will decrease the water consumption, along with decreased maintenance and operating costs for 20%. In addition, increased efficiency and accessibility of quality services to all citizens will increase the satisfaction of citizens of Kučevo with local communal services.

Likewise, the reconstructed cultural centre in Babušnica will enable better working conditions for 58 employees and reduced maintenance costs. The adoption of the rule book will improve the use of the premises, while a cultural offer to 12,520 citizens of Babušnica will improve by the creation of adequate working conditions and the purchase of new equipment. The Programmes continuously register the impact of the completed projects on the vulnerable groups, direct beneficiaries and wider community<sup>1</sup>.

Further results of social cohesion interventions are recorded. Three projects in Bor, Požarevac and Lebane improved opportunities for 135 marginalised young people both in higher education and the labour market through learning support programmes and by improving competences of 72 professionals from relevant institutions and the civil sector in working with children and youth from disadvantaged groups.

In Bor, 81 vulnerable youth are empowered for further schooling and employment. Through support in learning and organisation of ICT courses and vocational training, 31 children continued their education, 43 enrolled in secondary school and seven applied for vocational training courses at the National Employment Service. Furthermore, a support network for professional orientation of excluded youngsters is established in cooperation between the public and civil sectors. The Memorandum of Understanding is signed between 13 schools, while 25 professional associates, teachers and Roma assistants from eleven schools are empowered for targeted support and the educational competencies of 40 parents/guardians of youth from marginalised groups are improved.

In Požarevac, 29 highschool youngsters from disadvantaged groups improved their socio-psychological competences and capacities, particularly in relation to further education and employment seek. Additionally, 17 professionals in public and civil sectors enhanced their capacities and established an intersectoral network for development and conducting career guidance programmes which will contribute

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<sup>1</sup> Full impact and the status of local infrastructure project is available in AnnexII\_Att.2.3\_LIP Status\_ENG

to the higher employment rate for the youths from vulnerable groups on a long run. The recommendations from the projects related to the career guidance and counseling of young people are included in the Local Action Plan for Youth 2021-2025 with precise steps of action.

In Lebane, 25 elementary pupils from vulnerable groups, mostly Roma, underwent the programme of support in education that resulted in improvement of their academic performance for 10% and decrease of their school absence rate for 90%. In addition, competencies of 30 educational professionals are improved for working with children from marginalised groups. Teaching staff acquired knowledge and skills that can contribute to better adaptation of pupils at the beginning of the educational process, to higher educational achievements and adequate inclusion in the school environment. Furthermore, the quality of work of one school is improved through provision of technical equipment.

The inter-municipal project realised in Prijepolje, Priboj, Sjenica, Novi Pazar and Tutin successfully gathered almost 100 representatives of the civil sector, media, the LSGs, the cultural and educational institutions contributing to an inter-ethnic cooperation and understanding of the Bosniak and Serbian communities. Through a participative process, representatives of two ethnic communities jointly worked on identification of 49 elements of the intangible cultural heritage (ICH) of the Sandžak region. The dossiers for the five elements of the ICH (traditional knowledge of making Sjenica-Zlata cheese, folk lace “ojci”, rice flute “pirinče”, jam “sita” and pastry “četenija”) were prepared, according to the UNESCO methodology and officially nominated for their inscription in the National Register of ICH of the Republic of Serbia. In addition to the previously created “Manual for the protection of intangible cultural heritage in multi-ethnic municipalities”<sup>2</sup>, under the same project six cultural institutions<sup>3</sup> are equipped with 121 units of professional literature related to the cultural heritage. Overall, it is expected that these results will facilitate and contribute to the protection of cultural heritage in the region.

## Activities

### 3.1 Supporting projects for improvement of the living conditions and quality of public infrastructure in municipalities

During this quarter, Kučevo and Babušnica finalized all activities on local infrastructure projects contributing to completion of a total of 36 out of the awarded 37 projects. With the Programme support, Kučevo replaced 850m of asbestos water pipeline with the construction of 1,100 m of new water supply network from the main pumping station to the main reservoir to ensure the health and sustainable water supply for 4,823 beneficiaries directly connected to the water supply system. Likewise, Babušnica completed the reconstruction works on the cultural centre in Babušnica, which will enable better working conditions for 58 employees and reduced maintenance costs, as works included the replacement of the old heating system besides interior works and provision of the new equipment.

The one ongoing is the extension of the water supply system “Roda” in the suburban settlement Dobri Do that derived from the savings in the project budget in Bosilegrad. The works resumed and again suspended until weather conditions stabilised. The Programme granted the time extension request to Bosilegrad until 30 April 2020 to allow the compilation of the small portion of remaining works.

### 3.2 Supporting projects enhancing inter – ethnic dialogue and cooperation, improving social cohesion and social integration in multi – ethnic communities

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<sup>2</sup> <http://biblioteka-np.org.rs/wp-content/uploads/2020/09/Smernice-za-zastitu-nematerijalnog-nasledia.pdf>

<sup>3</sup> The Libraries in Prijepolje, Novi Pazar, Priboj and Tutin, the Cultural Center in Sjenica and the Museum in Novi Pazar

The final remaining active social cohesion project in Sjenica implemented by the Municipal Association for Assisting Children and People with Disabilities “Breeze” was completed in February 2021, marking the end of activities on the 21 awarded grants. The projects are undergoing administrative closure.

The Social Cohesion team conducted a research<sup>4</sup> on the civil sector capacities at the end of January, having three main objectives in focus:

- The CSOs’ project management capacities, taking into consideration their experience in project implementation under the Programme
- The CSOs’ capacities for participation in the planning and implementation of the local and regional development strategies and projects and cooperation with other sectors
- Contribution of the CSOs to the improvement of social welfare services during and after the COVID-19 crisis

Total of 20 CSOs were surveyed through an on-line questionnaire which contained 76 questions. Following are some of the key findings of the assessment:

- The civil sector still relies mostly on funding opportunities provided through donor programmes, while the other financing opportunities, for example, economic activity, are still not recognised enough by them. Only half of them manage to ensure continuous operations and financing, which indicated need for their further capacitating not only in project management skills, but in development of more innovative approach in funds securing, potentially through establishment of partnership with business sector and development of economic activities and entrepreneurial skills
- The EU PRO Programme contributed significantly to the CSOs’ capacity building. Almost all assessed CSOs (95%) stated that suggestions and feedback provided from the EU PRO team helped them to improve their work. Most of them (85%) declared that they improved the quality of realisation of the project activities and the project in general, while 60% of the CSOs stated that they are empowered to meet the procedural and administrative requirements.
- Despite the fact that the majority of CSOs have long-term experience in implementation of partnership projects with other sectors and actively contribute to socio-economic development at the local and regional level they are still not recognised as important partners by the public institutions. They are not sufficiently involved in the planning process, such as development of strategic documents and their participation in cross-sectoral projects is often limited. Reasons for this are two-sided: absence of mechanisms of cooperation with the civil society and lack of will by the LSGs for establishing continuous cooperation, while on the other side, the CSOs need to take more initiative in the local and regional development and further build their capacities in this area.
- The CSOs have operational capacities and expertise in prompt responding to the urgent needs and providing assistance to the most vulnerable citizens in the time of COVID 19 crisis, particularly the organisations that are licenced for provision of social protection services. Their contribution and role during the COVID-19 crisis in relation to the most disadvantaged groups showed that the CSOs should be supported to be the initiators of protocols on cooperation between the public institutions and the civil sector in the emergency situations and to work on better needs assessment, planning and implementing integrated services to address immediate and urgent needs, especially in crisis situations such as COVID-19.

### 3.3 Procurement of COVID-19 related medical equipment and items

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<sup>4</sup> Annex III\_Att.3.1\_EPR\_The Civil Sector Survey Results Overview\_March21



The 19 ambulance vehicles procured in support to the Government's efforts to respond to COVID-19 have been procured and delivered on 17 March 2021. The beneficiary health institutions are located in Ćuprija, Gornji Milanovac, Kraljevo, Kruševac, Leskovac, Golubac, Bor, Knjaževac, Piroć, Novi Pazar, Krupanj, Źagubica, Belgrade, Smederevska Palanka, Belgrade, Loznica, Bujanovac, Medveća and Jagodina

## Management and coordination

### Programme Steering Committee

The Programme Steering Committee (PSC) did not meet during the quarter, the next meeting is planned for April - May 2021.

### Coordination

The Programme maintained coordination of activities with the national institutions and other development projects ensuring synergies and complementarity of interventions.

Partnership with the Swiss PRO Programme continued to yield results and their support to enhancement of the Good Governance principles at the local was further strengthened by the adoption of one regulation by the City of Kragujevac who adopted the decision on initiation of the sports programme development in relation to the construction of sports fields in "Veliki Park" supported by the Programme. So far, a total of 21 regulations have been adopted by 18 LSGs.

The EU PRO assistance to SMEs was presented at the on-line [SME Forum](#) held in Belgrade on 30-31 March attended by over 1,000 SME representatives. This two-day online event was institutionally supported by the Delegation of the European and the EIB gathered, while magazine Nin was a media sponsor. The themes largely focused on the COVID-19 consequences, and the importance of the sector for the overall economy. In addition to the key speakers from the business sector, the EU Delegation representatives, EIB, as well as EU PRO programme presented the EU support to the business sector, while the EU PRO assistance was distinct as providing grants. The Programme visibility was enhanced by the video materials on EU PRO SME beneficiaries presented at the forum, and a presentation given by the manager of the SME beneficiary Corten Art from Šabac.

In February 2021, the EU PRO participated in the Social Dialogue on Social Politics and Health Protection as starting points for drafting the Law on Gender Equality organised by the Ministry of Human and Minority Rights and Social Dialogue with support of the UN Women. The participants emphasized different issues related to the social and health protection that need to be addressed: inter-sectoral approach in provision of services, health services targeting women in rural areas, services targeting victims of domestic or partner violence which number increased during the COVID-19 crisis, the crisis in business sector caused by the coronavirus pandemic that affected women much more than men, because they are represented in the sectors most affected by the crisis, such as tourism and hospitality, etc. The draft Law should be submitted to the Assembly in April.

The Programme attended webinar "Diaspora & Donations" in February within the "Alternative Funding and Donations for Local Entities in Serbia" project implemented by NALED and the German Development Cooperation together with the Loud Crowd Association. The objectives of the project are identification of the potential for cooperation with diaspora and barriers to their greater investment, as well as to strengthen local governments and NGOs to design and offer quality projects that would be funded by diaspora. According to the World Bank's data, in the previous decade, the diaspora sent three to 3.7 billion Euros a year to Serbia, which is 50% more than the average inflow of foreign investments. Directing these funds to donations and investments would significantly accelerate Serbia's economic growth, while providing an

Programme is financed by the European Union, implemented by UNOPS in cooperation with the Government of the Republic of Serbia.

[www.eupro.org.rs](http://www.eupro.org.rs)

online platform through which to donate or invest in selected projects could be an effective solution to support the communities from which they originated. The country is preparing the first draft of the Action Plan for Economic Migration, which envisages simplification of procedures for sending foreign remittances and establishing a platform for diaspora donations by 2023.

In March 2021, the EU PRO representative attended the webinar "Social Recovery of Europe" organised by the EU Info Centre with panelists from the DEU, civil sector and the SCTM. The DEU representative emphasized that in the following period the most important segments that will affect Europe's recovery are economy, health care, support to employment and education. The NGO representative said that the marginalised and vulnerable groups were the most affected by the pandemic. Their needs were not considered when the specific measures were created and introduced in order to address the COVID-19 crisis. These measures require assessment in order to establish what were their impacts on the status of excluded groups and to create systemic solutions for all citizens in exercise of social and economic rights.

The Programme participated at the ninth [SCTM GIS network meeting](#) held online on 2 February. The three-part event included an update of the Analysis of the development of local GIS systems, Geoportal updating presented by the Republic Geodetic Authority (RGA) and presentation of three GIS projects supported through EU PRO. Topola, Kraljevo and Kragujevac in partnership with Knić and Rekovac presented their achievements with an emphasis on GIS innovative topics and technologies.

## Finances

The following are the main financial indicators<sup>5</sup>:

- The total delivery as of 31 March 2021 was 24,248,261 Euros or 96.99% of the Programme budget;
- The forecast delivery for the next reporting period is 428,594 Euros.

## Human resources

In line with the Programme closure plan, downsizing of the human resources has commenced following the UNOPS corporate procedures. As of the end of February two positions have been terminated, and an additional four at the end of March.

Annual performance reviews for 2020 have been duly completed by Programme personnel and satisfactory performance has been confirmed accordingly. Furthermore, individual performance related objectives and learning plans for 2021 were established in corporately given timelines.

In Q1 of 2021 personnel have engaged in the following learning opportunities available through UNOPS corporate learning funds:

- Sector Manager for SMEs and BSOs attended a series of workshops as a part of the ongoing Leading People Programme.
- Programme Associate for SMEs and BSOs has completed training in Agile Project Management, Coaching Modes and Year-End Performance Conversations.
- Programme Senior Assistant for SMEs and BSOs has completed Gender Equality in Sustainable Project Management, United Nations Human Rights Responsibilities and Google Workspace: Working with externals courses.

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<sup>5</sup> While these figures provide quality insight into the Programme's spending, the final figures are only provided in the Programme's financial reports.



## Procurement

Having that the contracting period for the Programme ended on 31 December 2020, no new procurement processes were initiated and the procurement-related activities during the quarter included monitoring of delivery of contracted goods and services. Continuing the activities on COVID-19 response, the Programme organised the delivery and handover of the 19 ambulance vehicles to Health Centers which were put in immediate use after the delivery. Additionally, New Year packages were delivered and distributed to end users.

## Grants administrative support

During the first quarter of 2021, the Grant Administration Unit provided support to the administrative management of projects deriving from the nine Calls for Proposal (CFPs) conducted in the previous years.

Administration of the GSAs during the first quarter of 2021 included:

- Verification of 45 financial/procurement reports
- Conducted administrative closure of 82 GSAs
- Administered 51 budget revisions and time extensions
- Registration updates of 16 Amendments to the GSAs with the VAT Office

## Reporting and monitoring

During the period, the Annual Report for the period 1 January - 31 December 2020 was developed by the Programme. The Programme also prepared monthly reports for UNOPS Serbia and these can be shared with the PSC upon request.

## Risks and issues

- **Blockage of the Suez Canal and consequent stalled or delayed shipments can cause delays in delivery of equipment from China to SME and LSG beneficiaries.** Several SME beneficiaries have contracted equipment from suppliers in China as well as few of the LSGs for GIS-related equipment. The equipment needed to come via cargo ships that pass through the Suez Canal which was blocked for six days in March as a result of an accident with Ever Given Cargo Ship. This caused severe delays in delivery as transporters have not yet compensated the lost time for transportation, and its final effects are yet to be seen. With the approaching end of the Programme, the risk of failure of delivery of equipment to four SMEs and one LSG is being monitored.
- **Usage of the local infrastructure project in Sjenica may be delayed due to the extended period needed for securing connection to power supply.** Sjenica finalised all works on the construction of the kindergarden and performed technical commissioning with temporary power supply, but could not obtain permanent power supply from Public Enterprise for the power supply. Namely, the future power supply is foreseen from the power station within the residential complex that still needs to be completed, so there is a possibility that Sjenica kindergarden will not be operational in September 2021 as planned. The programme is monitoring the progress and, if the issue is not addressed, this obligation will be transferred to Sjenica local administration prior to project closure.
- **Return of the unspent funds from projects implemented by the CSOs is delayed due to inability of some banks to process the payments.** Most of the social cohesion grantees are facing an issue with the return of unspent funds. Many local banks are not familiar with the procedure and the process is significantly delayed. In order to overcome the problem, the Programme provided additional

instructions and/or directed them to the beneficiaries and their banks that have already returned the funds for further guidance.

- **Delayed public procurement processes related to the Čačak GIS project may result in cancellation of some of the planned activities.** Even Though Čačak completed all procurement activities on GIS grant, there is still low risk associated with the period for the complaints that could potentially prolong signing of the contract with the service provider and initiation of the works on geodetic survey.

## Quality

The Programme monitors implementation of the quality management expectations throughout implementation of activities.

During the quarter, the Programme conducted a survey of supported Civil Society Organisations which confirmed the relevance of its activities directed towards the CSOs. Namely, considering that a great number of CSOs have interruptions in their work due to lack of funds and consequently an insufficient number of full-time employees, it is a challenge for them to build and improve their capacities for project management (PM). The support of the EU PRO through the projects implementation improved the CSOs' capacities to work with other donors and helped them to improve their work, particularly in procurement and administrative procedures, realisation of activities in unforeseen circumstances and project management of EU funded projects.

Implementation of procurement and administrative procedures was rated as the most demanding during the realisation of the project within the EU PRO. In addition, the implementation of activities that could not be implemented as originally planned, mostly in relation to the COVID-19 crisis, required intensive support from the EU PRO team.

As a testimony of the quality of developed technical designs supported by the Programme, City of Čačak issued the construction permit for the Technology Park one day upon electronic submission of the necessary documentation, recording the most efficient issuance of a permit during the Programme life cycle.

## Sustainability

The implementation of the EU PRO Gender Action Plan (GAP)<sup>6</sup> is in the final phase and the results are being summarized in order to prepare a detailed analysis of the EU PRO's contribution to the gender parity at the end of the Programme. Until now, almost 5,000 women directly benefited from the projects realised under the EU PRO. It should be emphasized that this number is much bigger in practice, but due to the nature of certain projects, mainly from the infrastructure sector, beneficiaries data couldn't be desegregated by gender. Furthermore, it is estimated that almost 30% of the total number of implemented projects ( 92 out of 341 projects ) have a strong contribution to gender equality, mainly in social cohesion and business sectors, but also a few projects in the infrastructure sector.

Programme continues to address sustainability through improved living conditions, local economic growth and new environmentally friendly solutions that will on the long run contribute to energy savings and ultimately to decrease pollution as in case of the replaced asbestos water network in Kučevo. The Programme goal was to measure the impact of increased energy efficiency class of local infrastructure buildings to energy savings, for which EU PRO team collected the electricity bills prior intervention, but due

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<sup>6</sup> Annex V\_Att.5.1\_EPR\_Gender Plan\_Q121

to the COVID 19, during winter 2021, schools, kindergartens and cultural objects were practically not in use for which the results of the electricity consumptions could not be used for the comparison.

## Lessons Learned

***A more systematic provision of feedback from the Programme beneficiaries on the provided assistance may educate and improve the current and future activities.*** Though the Programme continuously seeks informal feedback from its beneficiaries on the quality and relevance of implemented activities, introducing a mandatory questionnaire for all beneficiaries at the end of implementation of grant support agreements (GSAs) would provide valuable information to the Programme which may be used for improving the quality of the provided assistance.

***Introduction of additional mechanisms to ensure that the most relevant projects are proposed for funding by LSGs will contribute to sustainability of the results.*** While the Programme included criteria related to linkages and alignment of proposed projects with relevant local strategies in a vast majority of implemented Public Calls, this only did ensure that projects with the highest prioritisation are, in fact, submitted for funding. Based on this experience, inclusion of additional incentives for nomination of projects which are prioritised through strategic planning processes may be beneficial.

***The Programme should consider simplifying certain procedures in order to facilitate project implementation.*** This particularly refers to the implementation of the procurement and administrative procedures, considering that most of the grantees form the civil sector stated in the conducted survey that these procedures were the most demanding part during the project realisation, where the majority of them required Programme's assistance.

## Communications and Visibility

The communications team supported the organisation of the handover of ambulances procured within the EU support to the Government of Serbia through UNOPS. The event held on Friday, 19 March 2021, was attended by the highest national and international officials including President of the Republic of Serbia Aleksandar Vučić, the EU Ambassador to Serbia Sem Fabrizi, Ministers of European Integration, Jadranka Joksimović and Minister of Health, Zlatibor Lončar and the Head of UNOPS, Michela Telatin, as well as 17 ambassadors and representatives of the EU member states. The team prepared three briefing documents, drafted a press release, prepared branding of donated vehicles as requested by DEU and coordinated the event between the respective cabinets of the high level attendees. The handover of ambulances generated great media coverage of over **152** positive media reports, out of which **74** in the national media. In addition the team followed up with four tailored press releases distributed to local media working in the eight municipalities, which did not promote donation themselves, where the ambulances were distributed.

In addition, the Programme activities have been promoted through **153** media reports, out of which 74 (48 percent) in the national media, generated through the project activities and publishing of one press release related to the completion of the local infrastructure project in Babušnica.

During the quarter, as per DEU request, support was provided in development of the EU PRO success story for External Aid Management Reports (EAMR), as well as the overview of the sports and youth related projects supported since 2014 and the overview of all projects implemented in seven districts from 2014 till now. Overview of Competitiveness sector achievements were provided for the DEU presentation at NIN

organised SME forum and the EU PRO presentation for the said event was facilitated by the Communication team.

The Communication team also provided necessary support in activities marking the project closure to the SEDA BSO project, while the support in the application of the Programme Visibility Guidelines and advice on visibility event was provided to three different projects, including BSO projects implemented by Pomak, and GIS projects in Kraljevo, Požarevac, Topola, Leskovac and Žagubica.

The Communication team had a meeting with the EUIC to discuss the ongoing and future activities of the EU PRO Communications, and cooperation and agreed that in April 2021, ten success video and written stories will be promoted through EUIC paid placement on Blic website. In coordination with the EUIC team the Programme logo was also positioned on the official DEU website. Additionally, the support was provided to the EUIC team in publishing entrepreneurship success on the official DEU website (Europa.rs) [Ivanjica enterprise improving business and giving back to the community with EU's support](#).

In the reporting period [16 written success stories and four video stories](#) were published on the website and promoted on the Facebook, Twitter and Instagram pages all developed through partnership with V+O agency which contracted was annexed in consideration with the overall EU PRO Programme extension and the timeline and budget were adjusted accordingly. The Agency completed the work on the Calendar Competition activity, as the exhibition panels were distributed to the EUIC Belgrade and EU Info Niš and the awards distributed to the winners. Regarding the evaluation of Communication Strategy activity, the survey was completed by 194 local stakeholders, while 28 national and local stakeholder participated in evaluation via interviews. The materials developed within Media Competition activity pending official initiation of the EU PRO Plus programme.

The second and third results video for the infrastructure sector was developed featuring [Local infrastructure projects](#) and Detailed Regulation Plans, and the work on a similar video format will follow for other activities. The support in visibility and communication guidelines was contributed to one MSE and GIS project in Požarevac.

During the reporting period, the website received 13,834 visits from 9,342 unique visitors, while the most visited pages were those related to the Public Calls, news and success stories. A total of 58 Facebook posts were liked 2,834 times, 84 times shared and reached 140,344 people. The Twitter page has attracted similar attention, with 57 Tweets that were liked over 380 times and retweeted over 110 times. The pages now stand at 18,832 followers on Facebook, and 1,102 followers on Twitter. The EU PRO Instagram account has 2,477 followers and has been updated with 45 posts related to the programme success stories and Calendar competition winners. The paid promotion of the posts on Facebook and Instagram besides attracting a limited amount of negative comments, mainly on Facebook, expressing distrust in the EU support also generated direct interest in participation in the Programme activities.

The EU PRO **YouTube Channel and website updated with five videos**, four dedicated to the successful projects and one to the Calendar Competition winners, resulting in a total of **196** and **97** videos, respectively.

## Work Plan<sup>7</sup>

### Result 1: Improved technological structure of SMEs and their ability to increase their market share

**Activity 1.1** Finalize implementation of remaining 22 grants awarded under Second Call for MSEs and administratively close all training SME grants. Collect information on the outcomes and impact of the Activity.

**Activity 1.2** Monitor and support implementation of the RRA Zlatibor grant. Administratively close all remaining BSO grants. Collect information on the outcomes and impact of the Activity.

### Result 2: Improved conditions for business operations through more efficient administrative service provision, better land management and specific small scale infrastructure investments

**Activity 2.1.1** Monitor activities related to the implementation of the remaining two Grant Support Agreements (GSA) for the development of the GIS. Collect information on the outcomes and impact of the Activity.

**Activity 2.1.2** Monitor activities related to the implementation of DRP Surdulica and closure of remaining nine grants. Collect information on the outcomes and impact of the Activity.

**Activity 2.1.3** Monitor activities related to two remaining technical documentation projects and ensure closure of all finalised. Collect information on the outcomes and impact of the Activity.

**Activity 2.2** Finalise administrative closure of the remaining three completed projects. Collect information on the outcomes and impact of the Activity.

### Result 3: Better social cohesion and attractive living environment through improvement of small scale public infrastructure and social relations

**Activity 3.1** Monitoring of implementation of the one remaining local infrastructure project in Bosilegrad. Collect information on the outcomes and impact of the Activity.

**Activity 3.2** Follow up on the closure process of remaining ten social cohesion grants. Collect information on the outcomes and impact of the Activity.

**Activity 3.2** Collect information on the outcomes and impact of the Activity.

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<sup>7</sup> Quarterly Plan for Q3 of 2020 provided in [Annex V\\_Att.5.2\\_EU PRO Quarterly Plan](#)

## LFM – progress against indicators

### Legend

	Activity completed, outputs delivered in accordance with the set targets
	Activity progressing in accordance with the plan
	Activity progresses with manageable delay
	Activity is critical

Overall Objective	
<b>To contribute to more balanced socio - economic development in Serbia</b>	
Global Competitiveness Index Report rank 60 until the end of the Programme	The World Economic Forum paused comparative country rankings on the Global Competitiveness Index in 2020 due to turbulent time for the global economy. Instead, a special edition of the Global Competitiveness Report, <i>How Countries are Performing on the Road to Recovery</i> , has been published. In the 2019 Global Competitiveness Report <b>Serbia kept the same number of points for Global Competitiveness Index, but dropped to 72<sup>nd</sup> place on the ranking list in comparison to the 65<sup>th</sup> position it had in 2018.</b> The report will revert to a benchmarking exercise in 2021. <sup>8</sup>
The overall contribution of SMEs to export increased by 3% by the end of the Programme	The Statistical Office of the Republic of Serbia registered <b>external trade of goods in the value of 3,560.2 Million USD in the first two months of 2021. Compared to the same period in 2020, this is an increase of 12,2% from 3,173.9 Million USD.</b> The export in January 2021 was similar as in the 2020. However, the increase has mainly happened in February of 2021. Data for March 2021 has not yet been released.  The value of export of the SMEs supported by the Programme increased in the Q1 2021 increased by by 24.86% to 2.9 million Euros in Q1 2021 compared to 2.3 million Euros in Q1 2020.
Project Purpose	
<b>To enhance competitiveness and social cohesion of the less developed areas by increasing the productivity of SMEs and developing/improving the business enabling and social infrastructure</b>	
At least 95% of SMEs supported through the Programme increase gross value added/ employed ratio as a result of the Programme assistance	Data on increased revenue in 2020 can be monitored for the 73 enterprises for which the Financial Reports for 2020 have been published so far. <b>These companies recorded an increase in revenue by 15.5% in 2021 compared to 2020.</b>  Out of 203 supported companies, 55 companies have registered direct export in Q1 2021. The value of annual exports in Q1 2021 increased by 24.86% compared to Q1 2020 when it was 2,3 million Euros to 2.9 Million Euros in Q1 2021. Data on revenue is not available at the quarterly level.

<sup>8</sup> [http://www3.weforum.org/docs/WEF\\_TheGlobalCompetitivenessReport2020.pdf](http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2020.pdf)

1000 newly employed as a direct/indirect result of the Programme assistance	<b>Thus far, the Programme contributed to creation of 1,367 new jobs.</b> As a result of assistance to SMEs, 556 new jobs (out of which 241 or 43% are women) have been created in 199 beneficiary enterprises. In addition, the Programme indirectly contributed to the creation of at least 811 more jobs thus far as a result of the economic infrastructure projects (781) and realised technical documentation projects (30).
<b>RESULT 1</b> <b>Improved technological structure of SMEs and their ability to increase their market share</b>	
Activity 1.1 Up to 200 SMEs supported through Programme activities	A total of 203 SMEs have been directly supported by the Programme, out of which 94 as a result of the First Call for MSEs and an additional 109 as a result of the Second Call for MSEs. During the reporting period, 2 projects were completed, adding up to a total of 183. Activities on the remaining 20 projects implemented by SMEs will be completed in Q2 2021.
Activity 1.2 Up to 20 BSOs/NGOs supported through Programme activities	During the reporting period two more projects implemented by BSOs have been finalised, adding up to a total of 19. The final ongoing project will be completed in May 2021.
<b>RESULT 2</b> <b>Improved conditions for business operations through more efficient administrative service provision, better land management and specific small scale infrastructure investments</b>	
Activity 2.1.1 Up to 34 LSGs supported in order to digitalise and update geo-spatial data during Programme implementation	Seventeen out of the 19 awarded grant support agreements targeting 34 LSGs have been completed, 16 of which during the reporting period. The remaining two ongoing projects are expected to be finalised by the end of April 2021.
Activity 2.1.2 Up to 18 LSGs supported in the development of DRPs during Programme implementation	Nineteen grant support agreements for the development of detailed regulation plans have been supported. During the reporting period, two projects were finalised making the total number of 17 completed projects. The remaining two ongoing projects are expected to be finalised by the end of April 2021.
Activity 2.1.3 Technical documentation developed for up to twelve infrastructure projects related to economic development	Twelve grant support agreements for the development of technical documentation are supported. During the reporting period, two projects were finalised contributing to the total number of ten completed projects.
Activity 2.2 Up to nine public infrastructure projects with economic impact implemented until the end of the Programme	Nine grant support agreements for the implementation of economic infrastructure projects are implemented and the activities concluded in December 2020.
<b>RESULT 3</b> <b>Better social cohesion and attractive living environment through improvement of small scale public infrastructure and social relations</b>	
Activity 3.1 Up to 37 public infrastructure projects contributing to improved living conditions implemented until the end of the Programme	Thirty-seven grant support agreements have been awarded for the implementation of local infrastructure projects. During the reporting period two projects are finalised making the total number of 36 completed projects.



<p>Activity 3.2 Up to 22 projects contributing to social inclusion, inter-ethnic cooperation, and social cohesion implemented in multi-ethnic LSGs implemented by the end of Programme</p>	<p>Twenty-two projects for fostering social cohesion in multi-ethnic communities are awarded and the final remaining project is completed during the reporting period.</p>
<p>Activity 3.3 COVID-19 related medical service improved in at least 20 Programme LSGs</p>	<p>The procured COVID-19 related medical equipment has been delivered thus far to health centres located in 29 Programme LSGs.</p>